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INITIAL ENVIRONMENTAL EXAMINATION (IEE) Amendment – 3 Growth with Equity in Mindanao (GEM-3) Program

Program/Activity Data:

Country/Region: Philippines/Asia

Objective: Peace and Stability in Conflict-Affected Areas in Mindanao Improved

Activity Name: Growth with Equity in Mindanao (GEM-3)

Funding Period: January 1, 2008 to April 30, 2016

LOP Amount: \$160,000,000

IEE Prepared by: Tet Robielos, Office of Economic Development and Governance

Date: January 31, 2014

IEE Amendment (Y/N): Y

Date of Original IEE: Approved May 4, 2010

Tracking No.: ASIA 10-83

Environmental Action Recommended:

Categorical Exclusion	<u>X</u>	Negative Determination	<u>X</u>
Positive Determination	<u>X</u>	Conditions	<u>X</u>

Purpose and Scope of IEE:

[Amendment 3] The purpose of this amendment is to extend the project end-date of the GEM-3 Program from April 30, 2014 to April 30, 2016; expand the geographic scope of the project to include typhoon affected areas in Region VI (Western Visayas), Region VII (Central Visayas) and Region VIII (Eastern Visayas); expand the scope of the infrastructure projects to include school buildings and rural health clinics; and increase the Life of Project amount from \$148,400,000 to \$160,000,000. The scope and nature of activities as approved in the original Initial Environmental Examination (ASIA 10-83) and amendments remain the same.

The GEM-3 Program approved Threshold decisions in the original IEE include:

1. Technical Assistance and Training – Categorical Exclusion pursuant to 22 CFR 216.2(c)(2)(i) and 216(c)(2)(iii)
2. Procurement – Negative Determination
3. Small Scale Construction – Negative Determination with Conditions
4. Medium and Large Scale Construction – Positive Determination pursuant to 22 CFR 216.3(a)(2)(iii)

Description of Activities and Justification for Amendment

The GEM-3 Program implements a wide range of activities in Mindanao, with a special focus on the Autonomous Region in Muslim Mindanao (ARMM) and other conflict-affected areas of Mindanao. GEM-3's objectives are to:

1. Accelerate economic growth in Mindanao and help assure that as many people benefit from it and that the benefits are equitably distributed; and
2. Help bring about and consolidate peace in Mindanao.

The project end-date of GEM-3 will be extended from April 30, 2014 to April 30, 2016 to implement recovery and reconstruction assistance activities in areas affected by Typhoon Yolanda particularly provinces in Region VI (Western Visayas), Region VII (Central Visayas) and Region VIII (Eastern Visayas). GEM-3 has successfully implemented similar reconstruction and livelihood assistance activities in areas affected by Typhoons Sendong in 2012 and Pablo in 2013.

The assistance will focus on the restoration of access to education and health services, and livelihood activities. The assistance will include reconstruction of damaged classroom buildings, hospitals and rural health units, and market or trading centers, as well as the provision of classroom furniture and hospital equipment. The livelihood activities will include assistance to micro-entrepreneurs through building of structures for the "sari-sari" stores and provision of stocks; and inputs and training for aquaculture and other relevant livelihood activities. The following table shows the environmental risk classification and the recommended threshold decisions for the planned new activities.

Activity Environmental Risk Classification and Recommended Threshold Decisions

Activity	Intervention	Risk Classification	Threshold Decision
Classroom/Building construction	• Small Scale Construction	• Moderate Risk	• Negative Determination with Conditions
	• Large Scale Construction	• High Risk	• Positive Determination
Rural health unit construction	• Small Scale Construction	• Moderate Risk	• Negative Determination with Conditions

	<ul style="list-style-type: none"> • Large Scale Construction 	<ul style="list-style-type: none"> • High Risk 	<ul style="list-style-type: none"> • Positive Determination
Livelihood Activities (e.g., Sari-sari stores; aqua-culture)	<ul style="list-style-type: none"> • Training • Procurement of inputs • Small Scale Construction • For specific species of aquaculture 	<ul style="list-style-type: none"> • Categorical Exclusion • Low Risk • Moderate Risk • Moderate Risk • High Risk 	<ul style="list-style-type: none"> • Categorical Exclusion • Negative Determination • Negative Determination with Conditions • Negative Determination with Conditions • Positive Determination

Rapid Environmental Assessment (REA)

A Rapid Environmental Assessment (REA) will be conducted by the GEM-3 contractor before the implementation of the construction and livelihood activities. The REA will be conducted with the participation of the MEO and will follow the process outlined in the "Humanitarian Response and Natural Disasters" Environmental Guidelines -

<http://www.encapafrica.org/EGSSAA/humanitarianresponse.pdf>

The REA will provide the following: 1) summary of the situation; 2) factors with immediate effect on the environment; 3) immediate environmental hazards; 4) unmet basic needs; 5) environmental effects of relief activities; 6) actions to address issues; and 7) guidelines based on a survey of the affected community.

The Terms of Reference (TOR) for the REA, as well as the final document, will be reviewed by the Regional Environmental Advisor and the Bureau Environmental Officer (BEO). The REA will also help to better inform if the reconstruction activities and will further define threshold decisions for specific activities (ex., determine which activities are large scale and warrant a positive determination).

Environmental Mitigation and Monitoring

Mitigation – The activities recommended for a Categorical Exclusion or a Negative Determination do not require any further environmental evaluation. All the activities recommended for a Negative Determination with Conditions such as small infrastructure will be subjected to further environmental review for approval by the GEM-3 Contracting Officer's Representative (COR) and the Mission Environmental Officer (MEO) using the Environment Screening Report (ESR). All GEM-3 activities recommended for a Positive Determination must

be subjected to an Environmental Assessment (EA), which will be approved by the MEO and the BEO. The EA process requires a scoping statement that will be approved by the BEO prior to the actual conduct of the EA.

Monitoring – The GEM-3 contractor will follow the monitoring guidelines and procedures outlined in the original IEE.

Compliance with Government of the Philippines Legal Requirements – The GEM-3 contractor shall secure any and all required environmental clearance for its infrastructure and construction activities from the respective Regional Offices of the Philippines Department of Environment and Natural Resources – Environmental Management Bureau (DENR-EMB) before project implementation in compliance with the Philippine Environmental Impact Statement (EIS) System (PD No. 1586). Compliance of GEM-3 activities with the EIS system is highly recommended by USAID and the contractor is expected to be complying with applicable Philippine laws in the course of project implementation.

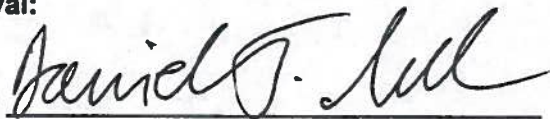
Revisions:

If during implementation, project activities are considered outside of those described in this or the original (or other amendment) IEE, an amended IEE shall be submitted. Pursuant to 22 CFR 216.3(a) (9), if new information becomes available which indicates that activities to be funded by the project might be 'major' and the project's effect 'significant', this determination will be reviewed and revised by the Implementing Partner, in collaboration with the COR of the project, and submitted to the MEO and Asia BEO for approval and, if appropriate, an environmental assessment will be prepared.

Approval of Environmental Action Recommended:

Mission Approval:

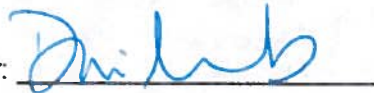
Daniel Miller
Director, OEDG:



Date:

2/6/2014

Dani Newcomb
Mission Environmental Officer:



Date:

2/6/14

Aaron Brownell
Regional Environmental Advisor/Southeast Asia
& Pacific Region: cleared per e-mail dated 2/6/14

Date:

2/6/14

Gloria D. Steele
Mission Director:



Date:

2/7/14

Approval:

John Wilson

Bureau Environmental Officer:

John Wilson

Date: 2/10/2014